

Thomas J. Vilsack
Governor
Sally J. Pederson
Lt. Governor



Edward J. Stanek, Ph.D
President and CEO

To: Members of the House Government Oversight Committee and Senate Government Oversight Committee

**From: Dr. Ed Stanek, President and CEO
Mary Neubauer, Vice President, External Relations**

Date: October 2005

At their September meeting, members of the Government Oversight Committees asked the following questions:

- . Iowa Lottery Authority – Provide information regarding the number of lottery machines currently in use and how many of those are TouchPlay machines. Also, provide documentation regarding why patents that are awarded for Lottery Authority games are in the name of Dr. Stanek.**

As of Oct. 2, 2005, the Iowa Lottery has about 7,289 machines in use in about 3,600 retail locations in the state. Of these, 3,284 are TouchPlay machines.

The U.S. Patent and Trademark Office requires that all patent applications and patent awards be made in the name of a “natural person” who is the “true inventor.” Since Dr. Ed Stanek is the only true inventor of the patents in question and since he is a “natural person,” the patents are in his name. For the patent discussed at the Oversight meeting, Dr. Stanek has licensed the patent to the Iowa Lottery Authority and the Multi-State Lottery Association at no charge. If he were to leave his post at the Lottery, he would receive actual expenses if required to testify for the licensees in litigation involving the patent.